

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

CONSUMER FINANCIAL)	
PROTECTION BUREAU, et)	
al.,)	
)	
Plaintiffs,)	
)	
-vs-)	No. 24-CV-40-JLS-MJR
)	
STRATFS, LLC, (f/k/a)	
STRATEGIC FINANCIAL)	
SOLUTIONS, LLC) et al.,)	
)	
Defendants.)	

The deposition of JASON BLUST,
called by the Plaintiffs for examination, taken
pursuant to the Federal Rules of Civil Procedure
of the United States District Courts pertaining
to the taking of depositions before MAUREEN A.
WOODMAN, a notary public within and for the
County of Cook and State of Illinois, at Suite
1590, 230 South Dearborn Street, Chicago,
Illinois, on the 29th day of January, 2024, at
the hour of 9:40 a.m.

1 APPEARANCES:

2 CONSUMER FINANCIAL PROTECTION BUREAU

3 BY: MR. JOSEPH SANDERS

4 1700 G Street, NW

5 Washington, DC 20552

6 Email: Joseph.sanders@cfpb.gov

7 Telephone: 202.377.9846

8

9 On behalf of the Plaintiff Consumer
10 Financial Protection Bureau;

11 OFFICE OF THE ILLINOIS ATTORNEY GENERAL

12 BY: MS. AMANDA E. BACOYANIS

13 115 South LaSalle Street

14 Chicago, Illinois 60603

15 Telephone: 312.814.3000

16 Email: Amanda.bacoyanis@ilag.gov,

17

18 On behalf of the Plaintiff the
19 People of the State of Illinois;

20 MINNESOTA ATTORNEY GENERAL'S OFFICE

21 BY: MR. EVAN ROMANOFF (Via Videoconference)

22 445 Minnesota Street

23 Suite 1200

24 St Paul, Minnesota 55101

Telephone: 651.296.3353,

25

26 On behalf of Plaintiff the State
27 of Minnesota;

28 PERSONIUS MELBER, LLP.

29 BY: MR. RODNEY O. PERSONIUS

30 (Via Videoconference)

31 2100 Main Place Tower

32 350 Main Street

33 Buffalo, New York 14202

34 Telephone: 716.855.1050

35 Email: Rop@Personiusmelber.com,

36

37 On behalf of the Defendant Jason
38 Blust and Relief Defendants Jaclyn
39 Blust, The Blust Family Irrevocable
40 Trust, Lit Def Strategies, LLC, and
41 Relialit, LLC;

42

1 APPEARANCES: (Continued)

2 CONNORS LLP

3 BY: MR. TERRENCE M. CONNORS

4 (Via Videoconference)

5 1000 Liberty Building

6 Buffalo, New York 14202

7 Telephone: 716.852.5533,

8

9 On behalf of Defendants Clear Creek
10 Legal, LLC; Credit Advocates Law
11 firm, LLC; Greenstone Legal Group;
12 Brandon Ellis Law Firm, LLC;
13 Hailstone Legal Group; Hallock and
14 Associates; Harbor Legal Group;
15 Anchor Law Firm, PLLC; Bedrock Legal
16 Group; Boulder Legal Group; Canyon
17 Legal Group, LLC, Great Lakes Law
18 Firm; Heartland Legal Group; Level
One Law; Meadowbrook Legal Group;
Monarch Legal Group; Newport Legal
Group, LLC; Northstar Legal Group;
Option 1 Legal; Pioneer Law Firm,
P.C.; Rockwell Legal Group; Spring
Legal Group; Royal Legal Group;
Slate Legal Group; Stonepoint Legal
Group; The law Firm of Derek
Williams, LLC; Whitestone Legal
Group; Wyolaw, LLC; Chinn Legal
Group, LLC; Leigh Legal Group, PLLC;
Hallock & Associates, LLC; Gustafson
Consumer Law Group, LLC; Michel Law,
LLC; The Law Office of Melissa
Michel, LLC; Moore Legal Group, LLC;

19

LIPPES MATHIAS, LLP.

20

BY: MR. SCOTT S. ALLEN, JR.

21

(Via Videoconference)

22

50 Fountain Plaza

23

Suite 1700

24

Buffalo, New York 14202

25

Phone: 716.853.5199

26

Email: Sallen@lippes.com,

27

28

On behalf of Defendants StratFS, LLC

29

(f/k/a Strategic Financial

30

Solutions, LLC) Strategic Client

1 APPEARANCES: (Continued)

2 Services, LLC) StrategicCS, LLC;
3 Strategic FS Buffalo, LLC; Strategic
4 NYC, LLC; BCF Capital, LLC; T Fin,
5 LLC; Strategic Consulting, LLC;
6 Versara Lending, LLC; Strategic
7 Family, Inc; Anchor Client Services,
8 LLC (n/k/a CS 1 PAAS Services, LLC;
9 Bedrock Client Services, LLC;
10 Boulder Client Services, LLC; Canyon
11 Client Services, LLC; Carolina
12 Client Services, LLC; Great Lakes
13 Client Services, LLC; Guidestone
14 Client Services, LLC; Harbor Client
15 Services, LLC; Heartland Client
16 Services, LLC; Monarch Client
17 Services, LLC (n/k/a CS 2 PAAS
18 Services, LLC; Newport Client
19 Services, LLC; Northstar Client
20 Services, LLC; Option 1 Client
21 Services, LLC; Pioneer Client
22 Servicing, LLC, Rockwell Client
23 Services, LLC; Royal Client
24 Services, LLC; Stonepoint Client
Services, LLC; Summit Client
Services, LLC (n/k/a CS 3 PAAS
Services, LLC), and Whitestone
Client Services, LLC;

16 RILEY SAFER HOLMES & CANCELA, LLP.
17 BY: MS. MAEGAN McADAM (Via Videoconference)
18 136 Madison Avenue
19 Suite 600
20 New York, New York 10016
21 Phone: 212.660.1025
22 Email: Mmadam@rshc-law.com,

23 On behalf of Defendants Ryan Sasson,
24 Daniel Blumkin and Albert Ian Behar;

1 APPEARANCES: (Continued)

2 SALVATOR PRESCOTT PORTER & PORTER

3 BY: MR. ANDREW PORTER

4 MS. KATHLEEN HILL (Via Videoconference)

5 1010 Davis Street

6 Evanston, Illinois 60201

7 Phone: 312.283.5711

8 Email: Aporter@sppplaw.com,

9 On behalf of Defendant Jason Blust.

10 ALSO PRESENT:

11 Ms. Cheryl Goodwin, (Via Videoconference)

12 Paralegal;

13 Mr. Daniel Blumkin, (Via Videoconference.)

14

15

16

17

18

19

20

21

22

23

24

1 MR. PORTER: Objection to form.

2 THE WITNESS: I forget the legal term of it.

3 I set it up for my family's benefit.

4 BY MR. SANDERS:

5 Q. Would you read the dates employed there
6 in item seven?

7 A. It says, "June of 2020 to the present."

8 Q. Did Lit Def Strategies exist prior to
9 June 2020?

10 A. I don't know.

11 Q. When was the trust formed?

12 A. 2019.

13 Q. Did you have dealings with Lit Def
14 Strategies prior to June of 2020?

15 A. I don't recall.

16 Q. Was Lit Def Strategies created at the
17 same time as the trust?

18 A. I don't recall.

19 Q. Would you read the income received by
20 Lit Def Strategies in 2020?

21 A. \$10,629,503.76.

22 Q. And would you read the income received
23 by Lit Def Strategies in 2023?

24 A. \$340,000.08.

1 Q. Do you know why the income has decreased
2 so much?

3 A. I do.

4 Q. Why is that?

5 A. Part of the arrangement that I had with
6 the law firms is that the payments to Lit Def
7 Strategies would be front-loaded. I know the
8 nature of the industry and the -- you know, the
9 profitability of a firm is at the outset, so we
10 front-loaded the payments for the work that would
11 continue on down the road.

12 Q. Why was the profitability of the firm at
13 the outset of the firm?

14 A. Well, the time that the firm makes the
15 most money clients are paying retainers.

16 Q. Are the client retainer payments
17 front-loaded?

18 A. No. Well, they're paid at the outset,
19 but they're not -- you know, they're paid at the
20 beginning over time.

21 Q. Wouldn't firms continue to take in funds
22 over time as they brought in new clients?

23 A. Potentially, but we had discussed the
24 arrangement that I laid out for you.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

CONSUMER FINANCIAL)
PROTECTION BUREAU, et)
al.,)
Plaintiffs,)
-vs-) No. 24-cv-40
STRATFS, LLC, (f/k/a)
STRATEGIC FINANCIAL)
SOLUTIONS, LLC) et al.,)
Defendants.)

I hereby certify that I have read the
foregoing transcript of my deposition given at
the time and place aforesaid, and I do again
subscribe and make oath that the same is a true,
correct and complete transcript of my deposition
given as aforesaid, with corrections, if any,
appearing on the attached correction sheet(s).

Please check one:
_____ I made no corrections
Number of Correction
sheets attached

JASON BLUST

SUBSCRIBED AND SWORN TO
before me this day
of A.D., 2024

Notary Public